of gold and silver in India are generally in tandem with similar movements in international markets. The rise in the prices in the recent periods in India largely reflects the rise in international markets.

(c) to (e) According to World Gold Council, total consumer demand for gold in India during 2005 amounted to 724 tonnes. The major portion of gold jewellery demand in India is met out of imports, as domestic production is almost negligible. Government has already reduced import duty on gold concentrate to 2 per cent. Provisions are there in the Mineral policy, 1993 in which preference is given to those who propose to take up mining for captive use. Precious metals reportedly provide a convenient store for unaccounted money; Government has stepped up efforts to unearth such tax evasion through tracking of expenditures.

Linking of Security Papers to Connected Accounts

1563. SHRI N. R. GOVINDARAJAR: Will the Minister of FINANCE be pleased to refer to answer to Unstarred Question 4028 given in the Rajya Sabha on the 23rd May, 2006 and State:

(a) whether security papers of some guarantors have been linked to connected accounts without any justification and without having obtained consent from guarantors;

(b) if so, what are the details of such accounts where guarantors have not been informed of connected liability;

(c) whether Punjab and Sind Bank have received complaints about guarantors being linked to other accounts deliberately; and

(d) if so, the details of such complaints and action taken to ensure that security papers are released to guarantors where liability have been recovered fully?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) No, Sir.

(b) Does not arise.

(c) Yes, Sir.

(d) Punjab & Sind Bank has reported that there is one such complaint by Mr. S.K. Ohri, Guarantor in the matter of PSB v/s Kunal Construction Co.

who complained that the bank is not releasing the documents (*i.e.* power of attorney & Will) relating to his property at Malviya Nagar, Delhi even after full and final adjustment of the account. The said NPA account was settled by the Bank under its Recovery Policy and one of the terms of the settlement was that the securities held in the account were to be released only after full and final adjustment of the said account as well as other connected account of the borrowers/guarantors. The terms of the settlements were conveyed to the borrower & Guarantor Mr. S. K. Ohri vide Bank's advocate letter dated 06.10.2004. Though the settlement amount was received in the NPA account of M/s Kunal Construction Co., yet the property of Mr. Satish Ohri Guarantor could not be released because as per terms of the settlement, the other connected NPA account in the name of Smt. Janak Kumari was not adjusted. Since the connected account of Smt. Janak Kumari has now been adjusted on 14.07.2006 after settlement with the bank, the documents pertaining to the property of Mr. Satish Ohri shall be released after completion of procedural process at DRT in due course. The Guarantor Mr. S. K. Ohri has been separately informed to this effect.

Appointment of non-official directors of banks

1564. SHRI TARLOCHAN SINGH: Will the Minister of FINANCE be pleased to state:

(a) total number of non-official members appointed by Government on Board of Directors of all Nationalised Banks;

(b) what are the criteria to select them; the efforts made/proposed to be made by the Government in bringing in banking reforms in the country;

(c) whether there is any system to have check on the working of these non-official Directors; and

(d) the number of complaints against these Directors with the Ministry and action taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) The Government has appointed twenty nine part-time non-official directors on the Board of Directors of Nationalised Banks under Section 9(3)(h) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970/1980 during the last one year.